

# ORIGINAL

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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In the Matter of )  
 ) PP Docket No. 96-17  
Improving Commission Processes )

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## AT&T COMMENTS

Pursuant to Section 1.430 of the Commission's Rules, 47 C.F.R. § 1.430, AT&T Corp. ("AT&T") submits these comments in response to the Commission's NOI soliciting suggestions for additional means of streamlining its processes to better serve the public.<sup>1</sup>

AT&T commends the Commission's initiative to reform its administrative mechanisms to "reduce the burden of unnecessary regulation, and use [agency] resources more efficiently." NOI, ¶ 1. As the Commission acknowledges (id., ¶ 2), implementation of the Telecommunications Act of 1996<sup>2</sup> will fundamentally alter the contours of the Commission's regulatory regime, and the Commission must therefore scrutinize and "reinvent" its processes to accommodate the statutory changes in its substantive responsibilities.

<sup>1</sup> Improving Commission Processes, PP Docket No. 96-17, Notice of Inquiry, FCC 96-50, released February 14, 1996 ("NOI").

<sup>2</sup> Pub. L. 104-104, 110 Stat. 56 (1996).

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Achieving the NOI's objectives will require far more than piecemeal modifications in the Commission's procedural rules and practices. The Telecommunications Act expressly calls upon the Commission to reexamine the continuing need for regulation of entire categories of carriers and telecommunications services, and to forbear from such regulation where it is no longer warranted.<sup>3</sup> Specifically, Section 401 of the Act requires forbearance where the Commission finds that

- (a) enforcement of a regulation is not "necessary to ensure" that carrier practices or services are just, reasonable and nondiscriminatory;
- (b) enforcement is not "necessary to protect consumers"; and
- (c) forbearance is "consistent with the public interest."<sup>4</sup>

By focusing its efforts on reexamining substantive regulatory requirements under the foregoing

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<sup>3</sup> Carriers may petition the Commission to forbear from regulating those entities or their services. Id., Section 401 (adopting new Section 10(a) of Communications Act). Additionally, the statute requires the Commission to conduct biennial reviews of its regulations and to determine whether any of those rules "is no longer necessary in the public interest" in light of competitive conditions. Id., Section 11(a).

<sup>4</sup> Telecommunications Act, § 401. The Act further specifies that, in determining whether forbearance will satisfy the public interest criterion, the Commission shall consider whether forbearance will "promote competitive market conditions," and may base its public interest determination upon such competitive considerations. Id., Section 10(b).

statutory criteria, and forbearing from enforcing those which no longer serve a valid purpose, the Commission may also eliminate many of the procedural rules and agency processes associated with administration of those substantive regulations. Concomitantly, such action will reduce the drain on the Commission's scarce administrative resources caused by those rules and processes, as well as the burden and costs for entities subject to those procedures.<sup>5</sup> AT&T submits that in the long term such an approach is far better calculated to promote the Commission's streamlining objectives than case-by-case examination of specific procedures and practices.

Moreover, even prior to undertaking the forbearance analysis required under the Act, the Commission can immediately alleviate the substantial commitment of its own limited resources due to the current unwarranted dominant carrier regulation of AT&T's

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<sup>5</sup> For example, Section 301 of the Communications Act has been interpreted to require prior approval before allowing licensees to consummate pro forma assignments and transfers of control (despite the fact that such transactions do not implicate substantive changes in ownership or control). These filings typically receive a minimal level of review by the Commission; thus, the prior approval requirement serves only to delay and restrict licensees' flexibility to restructure without any commensurate regulatory benefit. Forbearance from requiring prior approval for these transactions would substantially lessen the regulatory burden on licensees and the Commission, without impairing the Commission's ability to meet its public interest responsibilities.

international services.<sup>6</sup> As the Commission has previously acknowledged, its declaration of non-dominant carrier status for AT&T's domestic services has eliminated or greatly reduced the need for Commission oversight over AT&T's operations.<sup>7</sup> Prompt extension of non-dominant treatment to AT&T's international offerings will allow the Commission to refocus additional resources on its other regulatory obligations, as well as relieve unnecessary costs of regulatory compliance now imposed on AT&T.

In addition to implementing these fundamental changes to eliminate unnecessary regulation, the Commission should minimize the burdens on regulated parties and the Commission of compliance with any remaining rules and procedures. At a minimum, AT&T suggests the following steps to achieve this objective.

**The Commission should extend the use of electronic filing procedures.**

At the present time, the Commission does not have procedures in place to accept electronically transmitted routine filings from carriers and licensees. While there has been a great deal of discussion of

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<sup>6</sup> Ex parte Letter from R. Gerard Salemmé, AT&T Corp., to Scott Blake Harris, FCC, dated November 8, 1995; AT&T Reply Comments, Motion of AT&T Corp. to be Reclassified as a Non-Dominant Carrier, CC Docket No. 79-252, dated January 24, 1996.

<sup>7</sup> See Motion of AT&T Corp. to be Reclassified as a Non-Dominant Carrier, Order, FCC 95-427, released October 23, 1995, ¶¶ 10-12.

electronic filing by the Commission and some exploratory use of electronic filing procedures in the area of competitive bidding,<sup>8</sup> the Commission does not currently permit routine applications and filings to be transmitted electronically. AT&T believes the Commission should move expeditiously to embrace this technology.

Electronic filing of documents holds the promise of substantial improvements in routine processing for the Commission, regulated entities, and the public. As an initial matter, electronic transmission speeds the filing of documents for carriers and licensees, allows integration of filing data with those parties' database systems, and avoids paper handling and microfiche expenses.<sup>9</sup> Additionally, allowing filings and applications in computer-legible form could potentially

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<sup>8</sup> See, e.g., Part 22 Rewrite, 9 FCC Rcd 6513, 6531 (1994); Part 101, WT Docket No. 94-148, FCC 96-51 at ¶¶ 21-23 (Feb. 29, 1995).

<sup>9</sup> However, until electronic filing procedures eliminate the need for license applicants to provide microfiche copies of filings altogether, AT&T recognizes that microfiching is a burden on licensees that is necessary to minimize the Commission staff's task of organizing and storing large number of filings. The greatest drawback of microfiching, aside from the cost issue, is the delay it creates when large numbers of filings are being submitted. To a degree, this burden could be minimized if the Commission in all cases permitted licensees to file the microfiche copies within 15 days of the filing of an application or request. This would serve to spread out demand for microfiching during peak processing periods and would not appear to affect the Commission's processing.

open the door to greater timesaving reforms within the Commission by allowing greater automation of tasks and expediting the availability of filed information to those staff members that require it.<sup>10</sup> Finally, electronic filing of documents could also facilitate the public's access to information, since electronic filing data, if appropriate, could easily be made available for public inspection over the Internet or through dial-up services. AT&T therefore urges the Commission to rapidly extend the use of electronic filing procedures to the broadest range of routine filings.

**The Commission should consolidate and eliminate duplication in mandatory regulatory filings.**

In many cases, the Commission requires regulated entities needlessly to duplicate submissions of information that could more efficiently and less expensively be presented in a single, consolidated filing. For example, carriers now are obligated to complete separate worksheets for Telecommunications Relay Service ("TRS") and regulatory fee filings.<sup>11</sup> Calculation of the appropriate regulatory fee for carriers, however, relies

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<sup>10</sup> Electronic filing may also eliminate transcription errors as data from filings is entered into FCC databases and reduce the volume of paper processed by the Commission, potentially allowing savings in storage costs and duplication charges.

<sup>11</sup> See, e.g., Assessment and Collection of Regulatory Fees for Fiscal Year 1995, MD Docket No. 95-3, FCC 95-227 (June 19, 1995); 47 C.F.R. §§ 1.1151 et seq. (1995).

heavily upon the worksheet used to calculate TRS contributions. Given the relationship between these annual requirements, AT&T suggests consolidating the two worksheets, thereby eliminating duplicative information and reducing the number of annual filings required by carriers. The Commission should actively investigate other opportunities for consolidation of unnecessarily duplicative current reporting obligations.

**The Commission should critically review its information collection requirements to ensure that requested data and exhibits are limited to those required for the performance of its regulatory functions.**

Even where the Commission's regulatory functions are necessary to protect consumers and the public interest in fostering competition and assuring just and reasonable telecommunications service, the Commission should carefully scrutinize existing and future reporting and application requirements to assure that these submissions call only for data that is calculated to assist the Commission in performing its regulatory obligations.<sup>12</sup> Requiring carriers and licensees to supply information that is extraneous to the performance of the Commission's

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<sup>12</sup> Indeed, in some respects the Commission's data collection requirements can be expected to increase as it assumes expanded duties under the Telecommunications Act to evaluate and foster the growth of local exchange competition. It is therefore crucial that the Commission target those additional reporting obligations to assure that the information elicited is necessary to the performance of its regulatory oversight.

duties imposes needless costs on regulated entities to compile, collect and report such information, and storage, retrieval and analysis of those data unnecessarily burdens the Commission's limited administrative resources.

The Commission's current regulation of cellular and microwave licensees illustrates the imperative need for more disciplined and focused reporting requirements. Traditionally, such licensees have been required to file voluminous exhibits and informational showings, of dubious utility, in support of assignment and transfer of control applications. AT&T believes that the applications should be reviewed and the list of required exhibits pared down considerably. With regard to Part 22 applications, AT&T recognizes that a new FCC Form 490 has recently been adopted that does take some steps to minimize unnecessary exhibits (e.g., elimination of the requirement to file copies of current authorizations). Even with such reforms, however, the new Form 490 still requires Part 22 transferees and assignees to file an FCC Form 430, a form that is no longer required as an annual filing by Part 22 licensees generally.

Similarly in the new Part 101, which consolidates microwave regulations previously codified in Parts 21 and 94, the Commission has indicated it will adopt a new form for transfers of control and assignments,



but has not indicated specifically that it will seek to eliminate unnecessary informational showings,<sup>13</sup> despite the fact that the current microwave assignment and transfer of control forms seek arcane information reflecting long outdated rules and policies.<sup>14</sup> AT&T therefore urges the Commission to review the new FCC Form 490 and the draft microwave transfer of control and assignment forms to streamline to the greatest extent the information required of licensees. Similar scrutiny should be applied to all other Commission reporting obligations imposed on carriers and licensees.

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<sup>13</sup> Part 101, WT Docket No. 94-148, FCC 96-51 at ¶¶ 15-20 (Feb. 29, 1995).

<sup>14</sup> This problem is scarcely unique. For example, under the current Part 22 rules, new applicants for unserved areas must propose a service area of at least 50 square miles although in many MSAs and RSAs there are areas of less than 50 square miles that are totally surrounded by the existing contours of one or more existing licensees. By application of the minimum service area rule, new licensees cannot apply for such areas. Nonetheless, even when a carrier has the consent of all other carriers in the region, that licensee is required to file a long form unserved area application and either seek a waiver of Section 22.949 or wait out the period for the filing of mutually exclusive applications (despite the fact that none can be filed). While waivers of Section 22.949 are routinely granted, AT&T believes that the rules could be simplified, and service to the public expedited, if the Commission were to permit carriers to file a short form notification to serve such regions.

WHEREFORE, the Commission should further streamline its regulatory processes in accordance with the principles and methods described above.

Respectfully submitted,

AT&T CORP.

By

  
Mark C. Rosenblum  
Peter H. Jacoby

Its Attorneys

295 North Maple Avenue  
Room 3245H1  
Basking Ridge, N.J. 07920  
(908) 221-4343

March 15, 1996